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ONE PURCHASE AGREEMENT

THIS CONTRACT entered into this 20 day of March 1961, by and between PHILLIPS PETROLEUM COMPANY, a Delaware corporation, with an operating office at Bartlesville, Oklahoma, hereinafter called "Buyer", and Haystack Mountain Development Company, a Delaware corporation, with its principal office at Chicago, Illinois, hereinafter called "Seller".

WITNESSETH - THAT:

WHEREAS, Seller is desirous of selling certain uranium ores to Buyer and Buyer is agreeable to purchasing said uranium ores upon the terms and conditions hereinafter set out,

NOW, THEREFORE, the parties hereto do mutually agree as follows:

ARTICLE I

During the period from April 1, 1961 to and including December 31, 1966 Seller agrees to sell to Buyer and Buyer agrees to purchase all uranium ores produced from the mining properties described in Exhibit A through its Section 25 Mine and through its Section 17 Mine upon the terms and conditions herein specified. Such ores shall be delivered by Seller to Buyer's ore buying station at its Ambrosia Mill located in Section 28-11N-9E, McKinley County, New Mexico. Such ores shall be delivered regularly and currently to said ore buying station at such times as the buying station is open for business. The Buyer reserves the right to limit daily deliveries at its buying station to 1,000 tons per day.

Mining properties may be deleted from or added to Exhibit A with the written approval of the Buyer.

ARTICLE II

Delivery and acceptance of the uranium ores shall be in accordance with the provisions and conditions for the delivery and acceptance of ores as presently set forth in the United States Atomic Energy Commission Uranium Program Circular 5 Revised, and payment for ores delivered and accepted hereunder will be at the prices, payment arrangements as presently specified in said Circular 5 Revised, (provided that when said Circular 5 Revised shall be further revised or amended and regardless of whether said

(Circular 5 Revised shall have expired prior to the expiration of the term of this agreement) except that:

- A. No payment will be made for any constituent of ores delivered hereunder other than for contained U_3O_8 .
- B. The Buyer will accept and pay for ore delivered hereunder which contains more than 6% lime ($CaCO_3$).
- C. The Buyer will not be required to accept any ore delivered hereunder which contains in excess of 1% moisture.
- D. Buyer shall not be required to sample ores delivered hereunder in quantities of less than 500 short tons.
- E. Settlement for ores delivered hereunder will be made on a monthly basis with all ores delivered hereunder and fed into the sampling plant in a calendar month being considered as one lot of ore for the purpose of making such settlement. Payment for each such lot of ore shall be based on the weighted average, calculated arithmetically to the nearest one one-thousandth ($1/1000$) of one percent (1%), of the assays of the U_3O_8 content, determined to the nearest one one-thousandth of one percent (1%), of all ores delivered and sampled during a calendar month. Payment for a lot of ore delivered and sampled in a calendar month shall be made on or before the last day of the next succeeding calendar month.
- F. It is intended that Seller deliver ore containing at least 0.800% U_3O_8 . In the event the weighted average, calculated arithmetically to the nearest one one-thousandth ($1/1000$) of one percent (1%), of the assays of the U_3O_8 content, determined to the nearest one one-thousandth ($1/1000$) of one percent (1%), of all ores delivered and sampled during a calendar month is lower than 0.800% U_3O_8 , the Buyer may

terminate this contract by notifying the Seller in writing at any time within 30 days after the end of any such calendar month. Failure of the Buyer to exercise the right to terminate because of the grade of the ores delivered during any calendar month shall in no event be considered a waiver of subsequent right to terminate.

- G. Payment for ores containing 0.100 per cent U_3O_8 and more which are delivered and sampled hereunder during a calendar month will be computed on the following basis:

When the Monthly
Weighted Average
 U_3O_8 Assay is:

Payment per
Pound of U_3O_8 shall be:

0.100	\$1.50	plus development allowance presently specified in Circular No. 5, Revised.
0.101	1.52	"
0.102	1.54	"
0.103	1.56	"
0.104	1.58	"
0.105	1.60	"
0.106	1.62	"
0.107	1.64	"
0.108	1.66	"
0.109	1.68	"
0.110	1.70	"
0.111	1.72	"
0.112	1.74	"
0.113	1.76	"
0.114	1.78	"
0.115	1.80	"
0.116	1.82	"
0.117	1.84	"
0.118	1.86	"
0.119	1.88	"
0.120	1.90	"
0.121	1.92	"
0.122	1.94	"
0.123	1.96	"
0.124	1.98	"
0.125	2.00	"
0.126	2.02	"
0.127	2.04	"
0.128	2.06	"
0.129	2.08	"
0.130	2.10	"
0.131	2.12	"
0.132	2.14	"
0.133	2.16	"
0.134	2.18	"

0.137	\$2.20	
0.138	2.22	
0.139	2.24	
0.140	2.26	
0.141	2.28	
0.142	2.30	
0.143	2.32	
0.144	2.34	
0.145	2.36	
0.146	2.38	
0.147	2.40	
0.148	2.42	
0.149	2.44	
0.150	2.46	
0.151	2.48	
0.152	2.50	
0.153	2.52	
0.154	2.54	
0.155	2.56	
0.156	2.58	
0.157	2.60	
0.158	2.62	
0.159	2.64	
0.160	2.66	
0.161	2.68	
0.162	2.70	
0.163	2.72	
0.164	2.74	
0.165	2.76	
0.166	2.78	
0.167	2.80	
0.168	2.82	
0.169	2.84	
0.170	2.86	
0.171	2.88	
0.172	2.90	
0.173	2.92	
0.174	2.94	
0.175	2.96	
0.176	2.98	
0.177	3.00	
0.178	3.02	
0.179	3.04	
0.180	3.06	
0.181	3.08	
0.182	3.10	
0.183	3.12	
0.184	3.14	
0.185	3.16	
0.186	3.18	
0.187	3.20	
0.188	3.22	
0.189	3.24	
0.190	3.26	
0.191	3.28	
0.192	3.30	
0.193	3.32	
0.194	3.34	
0.195	3.36	
0.196	3.38	
0.197	3.40	
0.198	3.42	
0.199	3.44	
0.200	3.46	
0.201	3.48	
0.202	3.50	
0.203	plus development allowance	
0.204	and applicable premiums	
0.205	presently specified in	
0.206	Circular No. 5, Revised.	

2. With respect to oves delivered and accepted hereunder during

the period from April 1, 1962 to and including December 31, 1966, no haulage allowance shall be paid to Seller; provided, however, in lieu of the haulage allowance, Buyer shall subject to the limitation hereinafter set forth pay to Seller for the hauling of the ores from the mining properties described in Exhibit "A" to Buyer's ore buying station the lesser of the following amounts:

- (a) Six cents (6¢) per wet short ton mile, or
- (b) An amount equal to Seller's actual direct costs of hauling but not including loading costs and sales tax.

Seller shall invoice Buyer for the haulage costs on a monthly basis. Invoices are to be in triplicate and a copy of the ore hauler's invoice to Seller is to be attached to Seller's invoice to Buyer. Should any other ore hauler have a posted tariff which specifies a haulage rate for the hauling of the ores delivered and accepted hereunder which is less than the haulage rate specified in Seller's invoice to Buyer, then in such event, Buyer shall only be required to pay the lesser rate.

ARTICLE III

The obligations of Buyer under this contract are conditioned upon the Seller's obtaining and holding a license to transfer and deliver source material to Buyer pursuant to the Atomic Energy Act of 1954.

ARTICLE IV

Seller agrees to indemnify Buyer and save Buyer free and harmless from and against all and every loss, cost, damage, charge, expense, claim or demand of every kind and character whatsoever asserted by third persons which Buyer, its successors and assigns, may suffer or incur by or by reason of the purchase and acceptance by Buyer of ores from Seller under and pursuant to the terms of this agreement.

ARTICLE V

Neither this contract nor any interest therein or claim thereunder shall be assigned or transferred by the Seller to any other person without the prior written approval of the Buyer.

ARTICLE VI

The representations and stipulations required by Section I of the Act of June 30, 1936 (Maloh-Nealy Act, Public Law No. 846, 74th Congress), to be included in all contracts therein specified, hereby are incorporated and made a part of this contract with the same force and effect as if fully set forth herein.

ARTICLE VII

No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE VIII

In connection with the performance of work under this contract, the Seller agrees not to discriminate against any employee or applicant for employment because of race, religion, color or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Seller agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the Atomic Energy Commission setting forth the provisions of the non-discrimination clause.

The Seller further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

ARTICLE IX

A. Seller agrees to pay all severance and other taxes, licenses or fees which may be imposed on the ores delivered hereunder or on their severance, sale or other handling (prior to delivery to Buyer) and Seller agrees to indemnify and hold Buyer harmless from and against all claims against Buyer for taxes levied on said ores or on the severance, sale or other handling (prior to delivery to Buyer) thereof.

B. Seller warrants that it is the owner of and has the unqualified right to sell all ores which may be delivered hereunder. Upon

request, Seller shall furnish Buyer abstracts of title covering the properties listed in Exhibit A and Buyer shall not be required to make payment hereunder until Seller shall have furnished such abstracts covering said properties showing good and merchantable title in Seller to the uranium bearing ores extracted therefrom. If Seller's title is questioned or involved in any litigation, Buyer shall have the right to withhold payment without interest during the pendency of such litigation or until said title is freed from such question, or until Seller furnishes bond conditioned to save Buyer harmless with surety acceptable to Buyer.

C. Seller agrees to pay the owners thereof all royalties, overriding royalties, production payments or other payments which may be due and payable with respect to the ores delivered hereunder or the proceeds thereof, and Seller hereby indemnifies and agrees to hold Buyer free and harmless from and against all claims for the payment of any royalties, overriding royalties, production payments or other payments with respect to the ores delivered hereunder or the proceeds thereof.

ARTICLE X

All payments to Seller hereunder shall be made by Buyer as follows:

Haystack Mountain Development Company - 100%
Fremont, New Mexico

ARTICLE XI

Prevention or delay in the performance hereof caused by act of nature, strike, fire, flood, traffic interruption, delay in transportation, war, insurrection or mob violence, requirement or regulation of Government, financial crisis, cessation of operations at Buyer's plant designated to receive product purchased hereunder or failure of ore supply or other operating requirement, or any disabling cause, without regard to the foregoing enumeration, beyond the control of either party, or which cannot be overcome by means normally employed in performance of the contract, including, without limitation upon the generality of the foregoing any cause which would produce a financial loss to either party through performance hereof, in mining,

melting, refining, or otherwise, shall entitle the party affected to suspend this contract. A suspension of performance pursuant to this clause shall not have the effect of abrogating the contract, but immediately upon the termination of the cause of disability this contract shall again come into full force and effect.

ARTICLE XII

It is understood and agreed that this agreement is authorized by the Atomic Energy Act of 1954, as amended, in the interest of common defense and security and that the United States Atomic Energy Commission (A. E. C.) which is empowered to administer the provisions of such Act, has the authority to approve the terms and conditions of this agreement and under such authority has prescribed certain terms and conditions of this agreement. Pursuant thereto and for the benefit of the A. E. C., Seller does hereby agree as follows:

- A. No uranium bearing ores derived from any of the mining properties described in Exhibit "A" during the period of this agreement shall be disposed of other than by delivery to Buyer for processing in its Ambrosia Mill, unless and until any such disposition has been approved by the A. E. C.
- B. Seller, on its behalf and on behalf of any of its successors or assigns, agrees to make available to the A. E. C., upon the request of the A. E. C., all uranium ore reserve data which the Seller, its successors or assigns has pertaining to lands located anywhere in the United States and its territories which are or may be owned or controlled by Seller or its successors or assigns during the term of this agreement.
- C. Seller hereby agrees that the Comptroller General of the United States or any of his duly authorized representatives shall have access to and the right to examine

any directly pertinent books, documents, papers or records of Seller and related to this agreement; said rights of access and examination to continue until the expiration of three years after final payment by the A. E. C. to Buyer under the provisions of the contract between the A. E. C. and Buyer dated September 17, 1957, as amended.

- D. Seller hereby agrees, for the benefit of the A. E. C. that such obligation as the A. E. C. may have to purchase uranium ores or uranium concentrates produced prior to January 1, 1967, from the properties described in Exhibit "A" hereto, shall be fully and completely satisfied and eliminated by the acquisition by the A. E. C. from Buyer of uranium concentrates produced from ores sold to Buyer by Seller under this contract. Seller further agrees to include the provisions of this paragraph in any instrument transferring or alienating its right to mine and remove uranium ore from any and all of said properties.

ARTICLE XIII

The terms of this agreement constitute the entire contract of the parties and there are no agreements, undertakings, obligations, promises, assurances or conditions, whether precedent or otherwise, except those specifically set forth herein.

ARTICLE XIV

The terms and covenants hereof shall be deemed to be covenants running with the mining properties described in Exhibit "A" and as such shall extend to, bind and inure to the benefit of the parties hereto, their successors and assigns.

ARTICLE XV

This agreement shall not become effective or binding on any of the parties hereto unless and until the terms and provisions of this agreement

have been approved by the United States Atomic Energy Commission.

IN WITNESS WHEREOF, this agreement executed on the day and year
first above written.

ATTEST:


[Signature]
Assistant Secretary

PHILLIPS PETROLEUM COMPANY

By *R. W. Thomas* *th*
Vice President
(Buyer) *6/1/54*

ATTEST:


[Signature]
Assistant Secretary

HAYSTACK MOUNTAIN DEVELOPMENT
COMPANY

By *R. S. Frazier*
Vice President
(Seller)

STATE OF OKLAHOMA }
COUNTY OF WASHINGTON } SS

The foregoing instrument was acknowledged before me this 30
day of March, 1961, by R. M. Thomas
Vice President of PHILLIPS PETROLEUM COMPANY, a Delaware corporation, on behalf
of said corporation.

MY COMMISSION EXPIRES:

Alvin Caselene
Notary Public

My Commission Expires
October 1, 1963

STATE OF Illinois }
COUNTY OF Franklin } SS

The foregoing instrument was acknowledged before me this 5th
day of March, 1961, by R. G. RYAN
President of Leitch, Inc. a Delaware corporation,
on behalf of said corporation.

J. R. Vestelsson
Notary Public

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF ORE PURCHASE AGREEMENT BETWEEN PHILLIPS
PETROLEUM COMPANY, AS BUYER, AND HAYSTACK MOUNTAIN DEVELOPMENT COMPANY,
AS SELLER, DATED March 30, 1961.

DESCRIPTION OF MINING PROPERTY

All in McKinley County, New Mexico

Township 13 North, Range 9 West, N.M.P.M.

Section 19: All, less and except 81.60 acres out of the
NE 1/4 which is more fully described in that
certain mining lease and agreement dated
January 21, 1960, by and between Haystack
Mountain Development Company and Farris Mines.

Section 31: All

Township 13 North, Range 10 West, N.M.P.M.

Section 19: All

Section 23: All

Section 25: All

Township 13 North, Range 11 West, N.M.P.M.

Section 13: All

STATE OF NEW MEXICO }
COUNTY OF MCKINLEY } ss. 82302
Filed for record in the Clerk's office
the 27th day of June
A.D. 1961 at 11:13 o'clock P.M.
and recorded in Book 42
of Vol. 55 on page 97-108
Robert L. Haines
County Clerk
By: Joan Seneca